



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 2, 2003

Mike Dalley
Staker & Parson Companies
1730 North Beck Street
Salt Lake City, Utah 84116

Re: Review of the Notice of Intention to Commence Large Mining Operations (NOI), Staker & Parson Companies, North Beck Street Operations, M/035/019, Salt Lake County, Utah

Dear Mr. Dalley:

On April 2, 2003, we received a copy of Staker & Parson's large mine permit application for the North Beck Street operations, which was prepared by JBR Environmental Associates, Inc. During our review of this plan, we became aware of an amended development agreement dated August 27, 1998, between the Salt Lake City Corporation ("SLC Corp") and Staker & Parson Companies. Under this plan, Staker & Parson agreed to "All other provisions of the Mining and Reclamation Plan, dated May 8, 1996". The Division hereby requests a copy of the May 8, 1996 plan, in order to compare it with your April 2, 2003 plan. As a part of the August 27, 1998 agreement, SLC Corp requested that a \$193,605.00 performance bond be posted with the city in five annual payments, beginning in 1998. This bond would be held for the final reclamation of Staker & Parson's Beck Street Quarry. We assume that the performance bond is now fully funded with the city.

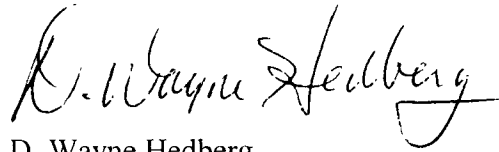
The Division has also obtained a copy of the "Beck Street Reclamation Framework and Foothill Area Plan" prepared by Dames & Moore, dated September 15, 1998. This report contains another reclamation plan dated September 18, 1997, for the Beck Street operations.

Because there are several different mine development and reclamation plans that predate JBR's latest plan, we are confused about which plan is currently valid for final reclamation of Staker & Parson's Beck Street operation. We have performed a cursory review of the September 15, 1998, Foothill Area Plan and JBR's latest reclamation plan. We noted a number of differences between the two plans. The referenced Mining and Reclamation Plan, dated May 8, 1996, may also contain other differences.

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Until a clear understanding or agreement is reached between Salt Lake City Corporation and Staker Parson as to which reclamation plan, or combination of plans, constitute the final accepted document, we cannot complete our permit review process. Please make arrangements to resolve these plan discrepancies with SLC Corp and notify us within the next 30 days (no later than August 4, 2003) of the outcome. We ask that a copy of the final approved mining and reclamation plan between SLC Corp and Staker and Parson's be submitted so that we can compare it against the latest JBR plan for accuracy and adequacy. Thank you for your assistance and cooperation in this regard. If you have any questions, please call me at (801) 538-5286, or Doug Jensen at (801) 538-5382.

Sincerely,

A handwritten signature in cursive script, reading "D. Wayne Hedberg". The signature is written in dark ink and is positioned above the printed name.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
cc: JBR Environmental
Lynn, Pace, Assistant City Attorney
Mary Ann Wright, OGM
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